

1 MS. KROP: Good evening. My name is Linda Krop
2 and I'm the Chief Counsel for the Environmental Defense
3 Center.

COMMENTER
T001-16

4 As you have heard, the proposed LNG project would
5 cause significant environmental impacts and threaten public
6 health, safety, and welfare.

T001-16.1

7 You have also heard that there are other
8 alternatives available that would provide the same benefits,
9 while avoiding these impacts and threats.

T001-16.2

10 The draft Environmental Impact Statement and
11 Report must be revised to include a complete analysis of the
12 full range of alternatives that are available to address our
13 State's energy needs.

14 We must look first to those options that do not
15 increase our reliance on foreign sources, do not continue
16 our dependence on fossil fuels, which have global
17 environmental consequences, and do not threaten our coastal
18 environment and communities.

19 As currently written, the draft EIS/EIR fails to
20 include any environmentally-preferred alternatives, nor does
21 the report comply with the requirements, under NEPA and
22 CEQA, that an EIS/EIR must analyze a range of alternatives.

T001-16.3

23 Instead, the report rejects alternatives without
24 analysis, and thus robs the lead agencies of their
25 discretion to reduce or avoid impacts.

T001-16.1

Section 5.2 contains information on the significant effects of the proposed Project that cannot be mitigated to less than their significance criteria. Section 4.2 and Appendix C contain additional information on public safety.

T001-16.2

Sections 1.2, 3.1, 3.2, 3.3.1, 3.3.2, 3.3.3, 4.10, and 4.10.1.3 contain information on the range of alternatives evaluated. Under NEPA and the CEQA, a reasonable range of alternatives must be considered. NEPA requires consideration of a "reasonable" number of alternatives. In determining the scope of alternatives, the emphasis is on "reasonable." "Reasonable" alternatives include those that are practical and feasible from the technical and economic standpoint and using common sense (CEQ 40 Questions; #2a).

The information must be sufficient to enable reviewers and decision-makers to evaluate and compare alternatives. The State CEQA Guidelines section 15126.6(a) provides, in part, "An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. An EIR need not consider every conceivable alternative to a project."

The EIS/EIR initially evaluated 18 locations for the FSRU as potential locations for the deepwater port. It built on previous California Coastal Commission studies that evaluated nearly 100 locations. Sections 3.3.7 and 3.3.9 discuss alternate locations and technologies that were considered.

T001-16.3

Both NEPA and the CEQA require the consideration of alternatives to a proposed project. A lead agency's lack of jurisdiction over a potential alternative is one factor that it may consider in determining if a potential alternative is feasible, reasonable, and merits detailed study in an EIS/EIR. Whether a potential alternative is purely hypothetical or speculative, or whether the potential alternative can be accomplished in a successful manner in a reasonable period of

time are additional factors the lead agency may consider in assessing the feasibility and reasonability of the potential alternative.

From a NEPA perspective, while a Federal agency must analyze "a range of reasonable alternatives" (as opposed to any and all possible alternatives), and may be required to analyze an alternative that is outside the capability of an applicant and that is outside the jurisdiction of the agency, the threshold question in determining whether to analyze any alternative is whether that alternative would be a "reasonable" alternative. Reasonable alternatives include those that are practical and feasible from the technical and economic standpoint and using common sense (CEQ 40 Questions; #2a).

To provide for an effective "hard look" at the alternatives the agency must limit the range to those alternatives that will best serve the environmental review process, and not needlessly examine and discuss in depth remote or speculative alternatives that that discussion does not facilitate a better decision making process. As stated in 40 CFR 1502.14(a), the EIS should "rigorously explore and objectively evaluate all reasonable alternatives, and for alternatives which were eliminated from detailed study, briefly discuss the reasons for their having been eliminated."

Section 15126.6(a) of the State CEQA Guidelines states, in part, "[t]he Lead Agency is responsible for selecting a range of project alternatives for examination and must publicly disclose its reasoning for selecting those alternatives." The California Supreme Court in the Citizens of Goleta Valley case recognized that while an agency's jurisdiction was only one factor to consider, "[t]he law does not require in-depth review of alternatives that cannot be realistically considered and successfully accomplished." In addition, the discussion in section 15364 in the State CEQA Guidelines states that "[t]he lack of legal powers of an agency to use in imposing an alternative or mitigation measure may be as great a limitation as any economic, environmental, social, or technological factor."

Chapter 3 discusses energy conservation, efficiency, and renewable sources of energy, and explains why these potential alternatives were not studied in detail in the EIS/EIR. The range of alternatives studied in detail is reasonable and conforms to NEPA and the CEQA requirements.

1 For example, the EIS/EIR rejects energy
 2 conservation, efficiency, and renewable sources on the
 3 grounds that these alternatives will occur with or without
 4 the proposed project. However, the report fails to identify
 5 any specific mandatory programs or quantify the energy
 6 savings that would be achieved through such programs and how
 7 they would meet the State's energy demand.

8 Conclusiary statements are inadequate to comply
 9 with State and federal environmental review laws.

10 In addition, the draft report rejects other LNG
 11 projects as alternatives, despite the fact that they are
 12 proposed to supply natural gas to California.

13 We provided testimony, last night, why the
 14 rejection of these alternatives violates NEPA and CEQA. And
 15 we also note that some of the reasons why these alternatives
 16 were rejected could apply to the Cabrillo Port project, as
 17 well.

18 For example, similar to other alternatives, the
 19 proposed project is in close proximity to shipping lanes,
 20 and the Channel Islands National Park and National Marine
 21 Sanctuary, and may conflict with the potential expansion of
 22 the Sanctuary.

23 Accordingly, the report must be revised to analyze
 24 these projects and alternatives. The report should also
 25 provide a true comprehensive analysis of the relative

T001-16.4

T001-16.4

Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to replace additional supplies of natural gas.

T001-16.5

T001-16.5

Section 6.2 contains conclusionary information on the Federally-defined environmentally preferable alternative and the State-defined environmentally superior alternative. Also see the response to Comment T001-16.3.

T001-16.6

T001-16.6

This EIS/EIR does not address how many LNG facilities will be built because the information necessary is not presently available, and the decision concerning how many facilities are needed ultimately is not before the lead agencies.

T001-16.7

T001-16.7

The FSRU would be located about 2 nautical miles from the southbound coastwise traffic lane. The FSRU would be located outside of the current boundary of the Channel Islands National Marine Sanctuary (CINMS) and vessels associated with the operations would not be expected to enter the CINMS. Sections 4.7, 4.15, 4.16, and 4.18 describe potential impacts on the marine environment and proposed mitigation measures to reduce potential impacts.

T001-16.8

T001-16.8

Section 4.2.3, the Independent Risk Assessment (Appendix C1), and the U.S. Department of Energy's Sandia National Laboratories' review of the Independent Risk Assessment (Appendix C2) contain revised information on the 1977 Oxnard study. Also see the response to Comment T001-16.3

1 benefits and harm, similar to the siting studies that were
 2 conducted in 1978. Almost 30 years has passed since those
 3 studies were completed, and there have been significant
 4 changes in circumstances and information relative to energy
 5 issues, and the status of coastal resources.

6 Before any LNG project is approved, these studies
 7 must be updated.

8 The report must also address all of the impacts of
 9 the proposed project, including those related to the
 10 extraction, production, processing, liquefaction and
 11 transportation phases, so that the project's impacts can be
 12 fairly compared to other alternatives. This analysis is
 13 also required to ensure full public disclosure and informed
 14 decision making.

15 For all these reasons, we ask that you suspend the
 16 deadlines under the Deepwater Port Act, so that the agencies
 17 can obtain additional information necessary to successfully
 18 complete the environmental review process.

19 This additional information should include an
 20 analysis of a range of alternatives, a complete analysis of
 21 the full life cycle impacts, a complete safety analysis, and
 22 updating the siting studies.

23 Thank you.

24 MODERATOR MICHAELSON: Thank you.

25 (Applause.)

T001-16.8
(cont'd)

T001-16.9

Executive Order 12114, Environmental Effects Abroad of Major Federal Actions, requires Federal agencies to consider the potential environmental effects of major Federal actions that could significantly affect the global commons outside the jurisdiction of any nation. Executive Order 12114 is not applicable to the extraction and development of natural gas in foreign countries.

An evaluation of the Project's environmental effects abroad must also be viewed within the context of section 15040 of the State CEQA Guidelines, which specifically defines and correspondingly limits the authority provided to State and local agencies under the CEQA.

The Applicant has stated that the source of the natural gas for this Project would be either Australia, Malaysia, or Indonesia. As these countries are sovereign nations, the Applicant would be required to comply with those countries' applicable environmental laws and regulations pertaining to the extraction and development of natural gas fields as well as those pertaining to the liquefaction and transfer of LNG to LNG carriers. Consideration of the Applicant's compliance with a foreign nation's applicable laws and regulations is beyond the scope of this EIS/EIR.

The Applicant has indicated that the Scarborough natural gas field in the state of Western Australia could be a potential source of natural gas for the Project. In May 2005, the Honourable Ian Macfarlane, the Australian Federal Minister for Industry, Tourism and Resources, stated, "Development of the Scarborough Field and related support facilities must be carried out in accordance with applicable laws and regulations of both the Australian Government (federal) and the State Government in Western Australia. Any activities will be subject to assessment and approvals under the applicable environmental legislative regimes. These include, among others, the Commonwealth Environment Protection and Biodiversity Conservation (EPBC) Act 1999, governing matters of national environmental significance, and, under State legislation, the Western Australian Environmental Protection Act 1986. The objectives of the Commonwealth's environmental regulatory regimes are to provide for the protection of the environment and ensure that any petroleum activity is carried out in a way that is consistent with the principles of ecologically sustainable development." (Appendix L contains a copy of this letter.)

Section 1.3 has been revised to include information on Indonesian

and Malaysian environmental requirements that would regulate impacts related to producing and exporting natural gas. All three countries have existing LNG liquefaction facilities.

T001-16.10

All deepwater port applications fall under the authority of the Deepwater Port Act, which requires that a decision on the application be made within 330 days of the publication of the Notice of Application in the Federal Register. The Notice of Application for the Cabrillo Port Project was published in the Federal Register on January 27, 2004. Although the comment period (53 days) could not be extended at that time, a March 2006 Revised Draft EIR was recirculated under the CEQA for an additional public review period of 60 days. Section 1.4.1 contains additional information on this topic.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

1 MODERATOR MICHAELSON: Peter Torrell.

2 MR. TORRELL: Thank you. My name's Peter Torrell,
3 and I would like to say that I'm confident in the future of
4 this country's energy, it's definitely going to include
5 natural gas as part of that. And I do think that, in the
6 future, even more foreign sources of natural gas will need
7 to be sought after, due to the depleting domestic supplies.

8 It's also been said that, under strict
9 conservation, it's possible more energy could be saved, than
10 supplied by the Cabrillo Port. And I think that's a good
11 thing, but with the existence of Cabrillo Port and the
12 energy-saving techniques, an over-abundance of energy would
13 be there, and would only encourage and promote the use of
14 natural gas-powered vehicles and machinery, ultimately
15 improving our nation's air quality. So I am in support of
16 the Port. Thank you.

17 MODERATOR MICHAELSON: Thank you.

18 Bob Hattoy.

19 MR. HATTOY: Good evening, distinguished
20 Commission, and staff, and neighbors.

21 My name is Bob Hattoy. I, formerly, was the
22 Regional Director of the Sierra Club, and then I was the
23 White House Liaison for the Department of Interior, under
24 the Clinton Administration, and I currently serve on the
25 California Fish and Game Commission.

COMMENTER
T001-17

T001-17.1

T001-17.1

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T001-18.1

Thank you for the information.

COMMENTER
T001-18

T001-18.1

1 But tonight, I'm just here as a local citizen, an
2 environmental activist who spent over 20 years as a coastal
3 protection fighter.

4 I heard about these hearings from about everybody
5 in California that I talked to. Some people think there's
6 only a few folks that know about this, my phone and my e-
7 mails have been ringing off the hook, and that's why I
8 believed it was important to be here, tonight, and just let
9 you know a few of my views.

10 I think, first of all, that LNG is a cleaner
11 burning fuel that California needs to have as part of its
12 energy mix. I believe this because even though I know it's
13 no panacea or no answer for our growing energy demands, both
14 for growth and for fuel, I think that it offers a unique and
15 substantive interim, short-term solution, rather than using
16 our -- going back to more, you know, polluting fuels, like
17 coal and oil.

18 Remember, we have choices to make. LNG, which is,
19 I think, a clean fuel that is needed in California, or we
20 can continue to fight the current Administration in drilling
21 in the Arctic National Wildlife Refuge, which I have worked
22 on for over 20 years to stop, and will continue to lay down
23 in front of bulldozers to prevent.

24 We can stop -- also, we can either go for a
25 drilling in the Rocky Mountain range, which I think is

T001-18.1
(cont'd)

1 unnecessary, drill off our coast, which I worked for 20
2 years to try to stop.

3 So it's for that reason that brings me here.
4 Because if we're going to have LNG, it has to be done right.
5 It has to be done the right way. It must be done under the
6 best practices and standards. It must be done to meet or
7 beat the environmental standards that we've set for
8 California and by the federal government.

9 I reviewed the EIR, and have discussed it with
10 many of my environmental friends, as well as the overall
11 picture of LNG. Now, I'm hesitant to endorse it, but I do
12 believe that it may end up being the best alternative to the
13 many sites being proposed up and down our coast.

14 I say this because I don't want anywhere drilled,
15 I don't want Rocky Mountains drilled, I don't want our coast
16 drilled. And if you look at the other sites, they're
17 absolutely unacceptable and cannot be allowed, because it
18 would be the wrong way to do it.

19 It would be wrong to have an onshore facility
20 anywhere because it would pose a great local risk.

21 It would be wrong to have a facility that requires
22 an increased exposure to any populations through possible
23 hazardous explosion, especially those minority populations
24 that already bear an unfair burden.

25 It would be wrong to have a fixed, stationery

T001-18.1
(cont'd)

T001-18.2

T001-18.2

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

1 platform, especially like the one that might threaten the
2 Channel Islands, that already has had years of clean air and
3 clean water violations.

4 It would be wrong to have a project that has not
5 received the full input of the communities.

6 It would be wrong to have a project that doesn't
7 take on the local impacts of transferring the LNG onshore.

8 So this will be a very difficult decision for you
9 folks, as with oil drilling was, which they all did in the
10 wrong way.

11 So, hopefully, we can do this decision with the
12 public process, with this great science and do it in the
13 right way.

14 I just want to say, I feel, and it's a unique,
15 interesting part, because I've been here as an activist,
16 I've been here as a regulator, I've been here as a
17 government official, and I just want you to know the
18 importance of the public input

19 MODERATOR MICHAELSON: Mr. Hattoy?

20 MR. HATTOY: -- that you need to look at and make
21 sure you hear all the citizens before you make your
22 decision.

23 MODERATOR MICHAELSON: Thank you.

24 MR. HATTOY: I think this could be done the
25 correct way, and we should do it right before we do it

T001-18.2
(cont'd)

T001-18.3

Section 1.1 discusses regulations and agencies involved in the licensing and potential approval of the proposed Project. The USCG and MARAD will hold a final public hearing on the license with a 45-day comment period before the Federal Record of Decision is issued. The CSLC also will hold a hearing to certify the EIR and make the decision whether to grant a lease.

Section 1.5 contains additional information regarding public notification and opportunities for public comment.

T001-18.3

1 wrong.

2 MODERATOR MICHAELSON: Thank you, Mr. Hattoy.

3 MR. HATTOY: Thank you very much.

4 MODERATOR MICHAELSON: Valerie Dunwoody.

5 MS. DUNWOODY: My name's Valerie Dunwoody. I'm
6 for this project. I believe that natural gas is definitely
7 the way to go, and I'm pleased that we've found a safe way,
8 or that you guys have found a safe way to bring it to us,
9 and I thank you.

10 That's all.

11 MODERATOR MICHAELSON: The next speaker is

12 Kraig Hill.

13 MR. HILL: Good evening, Kraig Hill, Malibu
14 citizen. You'll be getting a more rigorous paper from me.

15 Still, no legitimate case has been made against
16 the no-action alternative. The projections of energy demand
17 are equivocal and don't fully account for alternate sources.
18 To sway the public, BHP conflates California's real need for
19 production capacity with a false demand for increased
20 supply.

21 This project is premature, without a more demand-
22 driven public policy in place.

23 No true alternatives were considered. The few
24 cited are clearly infeasible. Some were rejected on the
25 basis of winds and waves comparable to those, here.

T001-19

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

COMMENTER
T001-19

T001-20.1

The selection of the No Action Alternative by decision-makers, for which they have full discretion, would not fulfill the purpose and need of the Project to supply natural gas to California consumers but would maintain, for an indeterminate time, the status quo of California's and the nation's existing and projected energy supply mix, including conservation and renewable energy sources.

T001-20.2

Section 1.5 contains information on the public review and comment opportunities provided by the lead agencies in full conformance with the provisions of the law. Both the CSLC and MARAD/USCG have met or exceeded the public notice requirements for this Project (see Sections 1.5.1 and 1.5.3).

COMMENTER
T001-20

T001-20.1

T001-20.3

Chapter 3 contains revised information on alternatives.

T001-20.2

T001-20.3

1 Some pipeline routes were rejected on the basis of
2 comparable seismic hazards.

T001-20.3
(cont'd)

3 Many, many analyses are incomplete or misleading,
4 and some still missing. I'll note just a few here. Some
5 maritime hazards are ignored. Stated vessel trips are about
6 half of what they actually add up to.

T001-20.4

7 Plus, vessel traffic is not just a function of
8 quantity. The operation would be a complicating factor
9 along the shipping lane. Tankers would cross the southbound
10 lane into oncoming traffic, collision analysis is
11 insufficient.

T001-20.5

12 The analysis of explosions is incomplete, both
13 worldwide and onsite. All, from the past four years are
14 omitted, notably the plant in Algeria that was previously
15 rebuilt by Halliburton.

T001-20.6

16 The document calls the blast radius 1.4 NM, but
17 BHP has publicly stated it would be five miles. And more
18 credible scientists suggest it could be double that, or even
19 more.

T001-20.7

20 Terrorist attack is noncredible? Homeland
21 Security ranks LNG facilities high on its target list.

T001-20.8

22 The pipeline would cross active quake faults. The
23 analysis downplays the risks radically and disingenuously.

T001-20.9

24 They say they'll employ the latest seismic
25 designs, but much remains undetermined.

T001-20.4

Sections 4.3.1 and 4.3.4 contain information on vessel traffic between the FSRU and Port Hueneme. The Applicant has updated its projections of vessel traffic between Port Hueneme and the FSRU. Projected weekly vessel transits have been reduced. Table 4.3-3 has been updated with these revised projections. Impact MT-2 in Section 4.3.4 contains the revised analysis of potential impacts on maritime traffic.

T001-20.5

LNG carriers approaching and departing the Cabrillo Port FSRU would travel on the routes depicted in Figure 4.3-2 (also see Section 4.3.1.3). LNG carriers would neither cross nor enter the Santa Barbara Channel coastwise traffic lanes under normal operating conditions. The FSRU would be located about 2 nautical miles from the southbound coastwise traffic lane. Given this distance, its presence, under normal operating conditions, would not interfere with operations in the coastwise traffic lanes.

LNG carriers and commercial vessels longer than 65 feet (20 m) would be equipped with an automatic identification system (AIS) so that they would be able to detect other LNG carriers and other vessels. Also, LNG carriers would be responsible for adhering to the "rules of the road" for ship traffic. Section 4.3.1.4 describes safety measures to be used.

T001-20.6

Appendix C3-1 contains information on representative historical LNG accidents, including the plant in Algeria.

T001-20.7

Section 4.2.7.6 and the Independent Risk Assessment (Appendix C1) contain information on public safety impacts from various incidents at the FSRU. The analysis indicates that the maximum impact distance of an accident would involve a vapor cloud dispersion extending 6.3 nautical miles (7.3 miles) from the FSRU. The FSRU would be located approximately 12.01 nautical miles (13.83 miles) offshore; therefore, consequences of an accident involving LNG transport by carrier and storage on the FSRU would

extend no closer than 5.7 nautical miles (6.5 miles) from the shoreline. Figure ES-1 depicts the consequence distances surrounding the FSRU location for worst credible events.

T001-20.8

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T001-20.9

Sections 4.11.1 and 4.11.4 discuss seismic analysis and risk. Section 4.11.2 identifies seismic design standards.

1 Could the FSRU come unmoored and drift toward
2 shore? We don't know, because the specs for the mooring and
3 riser have not been finalized.

T001-20.10

T001-20.10
Sections 4.2.4, 4.2.7.3, and 4.2.8.2 identify agencies with the authority and responsibility for safety standards, design reviews, and compliance inspections. Section 2.1 and Appendix C3-2 identify applicable safety standards.

4 Compound failures are ignored. If the FSRU were
5 to drift and then an explosion occurred closer to shore, how
6 many homes and lives would be lost?

T001-20.11

T001-20.11
The Independent Risk Assessment (IRA) has been updated since issuance of the October 2004 Draft EIS/EIR. The lead agencies directed the preparation of the current IRA, and the U.S. Department of Energy's Sandia National Laboratories independently reviewed it. See Section 4.2, Appendix C1, and Appendix C2 for additional information on third-party verification of the IRA.

7 Such risks may be unlikely, but their potential
8 harm is so great that they should be analyzed.

9 With so many novel, interdependent subsystems,
10 operational snafus would definitely occur.

11 The BHP's made a pro forma attempt to identify
12 known unknowns, but totally ignores the unknown unknown's.

13 In short, this project is founded on wishful
14 thinking and hubris.

15 Recently, CEO, Chip Goodyear, was asked about the
16 17 worker deaths Billiton has had in the past year. He
17 confessed that, "until we get health, safety, and
18 environment right, we're not going to be a first class
19 organization."

T001-20.12

T001-20.12
Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

20 I don't think that anything has changed.

21 Finally, BHP wants to be responsive to the public.
22 In that spirit, they should be happy to provide a full
23 accounting of how much they've paid to individuals and
24 organizations, so that the rest of us can know where their
25 support is really coming from.

1 And I know of at least one supporter here,
2 tonight, who's been paid, but did not disclose it.

3 Thank you very much.

4 (Applause.)

5 MODERATOR MICHAELSON: I'm going to read ahead,
6 again. The next speakers will be Alan Sanders, Anne
7 Hoffman, Aviva Rosenthal, Pamela Meidell, Peter Schneider,
8 and it looks like Joseph Vana.

9 MR. SANDERS: Good evening. My name is Alan
10 Sanders. I'm here, tonight, representing the Sierra Club,
11 Los Padres Chapter.

12 And first of all, I'd like to direct a comment to
13 the audience. I have a sign-up sheet, and in a few minutes
14 I'll appear outside, so that we don't disrupt the hearing.
15 But with those of you who would like to be in communication
16 with the Club, and our colleagues who have concerns about
17 this project, please see me and sign up, and we'll try to
18 keep you informed as we move along.

19 I would like to repeat, to the Panel, my request
20 that there be -- that you, together with the applicant,
21 provide for an extension of time period for our comments.

22 I did have the benefit to speak to a couple of the
23 panelists, and got the directive that we ought to be making
24 comments that are very specific, as specific as we can make
25 them.

T001-20.12
(cont'd)

COMMENTER
T001-21

T001-21.1

T001-21.1

All deepwater port applications fall under the authority of the Deepwater Port Act, which requires that a decision on the application be made within 330 days of the publication of the Notice of Application in the Federal Register. The Notice of Application for the Cabrillo Port Project was published in the Federal Register on January 27, 2004. Although the comment period (53 days) could not be extended at that time, a March 2006 Revised Draft EIR was recirculated under the CEQA for an additional public review period of 60 days. Section 1.4.1 contains additional information on this topic.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

1 And I've consulted with my colleagues, in the Los
2 Padres Chapter, about this. We intend to do that, but we
3 really need the time.

4 And I'll give you an example. One of the
5 questions that came up, are the discrepancies between this
6 document, and a document prepared in the seventies that has
7 risk analysis associated with it, and we'd like to get to
8 the bottom of that, to figure out which models are correct.

9 And I know there's -- there's other information,
10 other than in both of these reports, that we need to see.

11 And the same applies to several of the areas of
12 the environmental review. I'll give you another example. I
13 mentioned that I was unsatisfied with the comments provided
14 by some of the resource agencies, specifically related to
15 Ormond Beach.

16 Since their consultations with you, things have
17 changed there. The population of California Least Terns has
18 been completely wiped out. We've had complete site
19 abandonment. That changes every thing. So the information
20 they gave you may not be applicable in the future.

21 In any event, I hope we get the time and an
22 opportunity to provide more detailed comments to you.

23 Thank you.

24 (Applause.)

25 MODERATOR MICHAELSON: The next speaker is Anne

T001-21.2

Section 4.2.3, the Independent Risk Assessment (Appendix C1), and the U.S. Department of Energy's Sandia National Laboratories' review of the Independent Risk Assessment (Appendix C2) contain revised information on the 1977 Oxnard study.

T001-21.3

Section 4.8.1 contains information on new survey data.

T001-21.2

T001-21.3

1 Hoffman.

2 MS. HOFFMAN: Good evening, my name's Anne
3 Hoffman, I'm a property rights activist and a resident in
4 Malibu.

5 In reading this EIR, it's clear that you are
6 asking us to trust you that this blast zone calculation of
7 two miles has been done accurately, because there's a lot of
8 technical data that few of us are qualified to evaluate.

9 But many of us have experience in reviewing EIRs,
10 and this one differs so greatly from other EIRs, that it
11 seriously undermines our trust in your two-mile blast zone
12 estimate.

13 First, this is a black box EIR, because the public
14 will never be allowed to read the complete, independent risk
15 assessment, describing the true safety hazards of this
16 plant, because of the Patriot Act. That's in the first
17 section of your report.

18 Second, if the visual impact analysis is any
19 indication, your blast zone calculations are questionable.
20 The report fails to consider the visual impact of 100
21 percent increase in tanker traffic, completely.

22 Similarly, there is little explanation of how the
23 maximum down-wind distance of 1.6 miles is calculated, and
24 it appears to have been done without wave and current
25 modeling.

COMMENTER
T001-22

T001-22.1

T001-22.1

The Independent Risk Assessment (IRA) has been updated since issuance of the October 2004 Draft EIS/EIR. The lead agencies directed preparation of the current IRA, and the U.S. Department of Energy's Sandia National Laboratories independently reviewed it, as discussed in Section 4.2 and Appendix C.

Section 4.2.7.6 and the IRA (Appendix C1) discuss the models and assumptions used and the verification process. Sandia National Laboratories (Appendix C2) concluded that the models used were appropriate and produced valid results.

T001-22.2

Section 4.3.4 under Impact MT-2 notes that a maximum of 99 LNG carriers would dock annually at Cabrillo Port. This represents a minor impact on maritime traffic. Section 4.4.1.1 discusses the visual aspects of LNG carriers. The transiting LNG carriers would never approach closer than 12 NM from shore and would be indistinguishable from other vessels. While at Cabrillo Port, the LNG carrier would not typically be distinguishable as a separate vessel to an onshore observer.

T001-22.3

See the response to Comment T001-22.1.

T001-22.2

T001-22.3

1 It would be very helpful if you explained what
2 happens to this gas, which is a fatal asphyxiant, after 1.6
3 miles, and why the blast radius has changed so dramatically
4 from 20 miles, in the earlier studies, to 1.6 miles.

T001-22.3
(cont'd)

T001-22.4
Section 4.2.6.1 discusses this topic.

5 Your EIR states that there's been 5,862 gas
6 pipeline accidents in the U.S. since 1970, and since '86
7 there have been 60 deaths and 232 injuries, excluding all
8 those outside the U.S.

T001-22.4

T001-22.5
Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on
the threat of terrorist attacks.

9 These engineers claim that those facilities were
10 safe, as well.

T001-22.6
Your statement is included in the public record and will be taken
into account by decision-makers when they consider the proposed
Project.

11 How do you intend to secure 23 miles of two
12 parallel, two-foot underwater pipelines from sabotage? It
13 seems like child's play to wreak havoc with this facility.

T001-22.5

T001-23
Your statement is included in the public record and will be taken
into account by decision-makers when they consider the proposed
Project.

14 This plant is premised on a one percent annual
15 increase in LNG demand for the next ten years. With the
16 potential to annihilate hundreds of thousands of people, you
17 really owe it to the people of California to find a
18 replacement.

T001-22.6

19 (Applause.)

20 MODERATOR MICHAELSON: Aviva Rosenthal.

21 MS. ROSENTHAL: Hi, my name's Aviva Rosenthal, I'm
22 a local homeowner, mother, and a former federal government
23 employee, before moving here, to Southern California. I've
24 lived here, now, for almost five years, and our State source
25 of energy is a subject that I'm concerned about, but it's

COMMENTER
T001-23

1 clearly a need that must be explored.

2 While I've not been able to fully evaluate this
3 EIR, I do believe in the federal, State and local evaluation
4 process, and that any potential flaws in this plan can be
5 found and fixed with both technical and community input.

6 I think the need for LNG, and research into other
7 alternative sources of energy is important. I think we
8 should continue to explore and evaluate ways to safely
9 provide this product in California.

10 But I also hope and encourage you to continue to
11 educate the communities, that will be most affected, about
12 the potential hazards and benefits of this project, and
13 continue to do your due diligence on this subject.

14 Thank you.

15 (Applause.)

16 MODERATOR MICHAELSON: Pamela Meidell.

17 MS. MEIDELL: Hello, again, Panel Members. I saw
18 you last night in Oxnard. My name is Pamela Meidell, I'm a
19 resident of Oxnard and a former resident of Malibu.

20 Tonight, I will offer comments on the draft
21 EIR/EIS as a Board Member of the Earth Waves Foundation, and
22 organizational member of the Malibu community since 1985.

23 Earth Waves Program seek a solution that protects
24 our planet's environment, contributes to social justice, and
25 cultivates a deep respect for the interconnectedness of all

COMMENTER T001-24

1 life.

2 We contend that the draft EIS/EIR is incomplete
3 because it does sufficiently establish a need for the
4 proposed LNG facility, it does not offer a full range of
5 alternate options, and does not incorporate a serious
6 analysis of the project using the internationally-accepted
7 criteria of the precautionary principle.

8 In addition, the report erroneously concludes that
9 the proposed project is the environmentally preferred
10 project.

11 We oppose the Cabrillo Port on environmental
12 justice and environmental grounds.

13 We would like to urge you to extend the comment
14 period by 60 days to allow for a full exchange of views, and
15 to ensure that all affected communities have the opportunity
16 to comment.

17 And number two, if any of the worst case scenarios
18 should occur, we ask that you include in your analysis that
19 BHP Billiton post assurance bonds, in advance, for the full,
20 anticipated cost of the various scenarios. We understand
21 that this practice has precedence in Australia, for
22 developers, and we would like it applied here, on our Coast.

23 I would like to add additional commentary on the
24 three items that I articulated in the beginning.

25 First, the document defines the need too narrowly,

T001-24.1

T001-24.2

T001-24.3

T001-24.4

T001-24.5

T001-24.6

T001-24.7

T001-24.8

T001-24.1

Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T001-24.2

Both NEPA and the CEQA require the consideration of alternatives to a proposed project. A lead agency's lack of jurisdiction over a potential alternative is one factor that it may consider in determining if a potential alternative is feasible, reasonable, and merits detailed study in an EIS/EIR. Whether a potential alternative is purely hypothetical or speculative, or whether the potential alternative can be accomplished in a successful manner in a reasonable period of time are additional factors the lead agency may consider in assessing the feasibility and reasonability of the potential alternative.

From a NEPA perspective, while a Federal agency must analyze "a range of reasonable alternatives" (as opposed to any and all possible alternatives), and may be required to analyze an alternative that is outside the capability of an applicant and that is outside the jurisdiction of the agency, the threshold question in determining whether to analyze any alternative is whether that alternative would be a "reasonable" alternative. Reasonable alternatives include those that are practical and feasible from the technical and economic standpoint and using common sense (CEQ 40 Questions; #2a).

To provide for an effective "hard look" at the alternatives the agency must limit the range to those alternatives that will best serve the environmental review process, and not needlessly examine and discuss in depth remote or speculative alternatives that that discussion does not facilitate a better decision making process. As stated in 40 CFR 1502.14(a), the EIS should "rigorously explore and objectively evaluate all reasonable alternatives, and for alternatives which were eliminated from detailed study, briefly discuss the reasons for their having been eliminated."

Section 15126.6(a) of the State CEQA Guidelines states, in part, "[t]he Lead Agency is responsible for selecting a range of project alternatives for examination and must publicly disclose its reasoning for selecting those alternatives." The California Supreme

Court in the Citizens of Goleta Valley case recognized that while an agency's jurisdiction was only one factor to consider, "[t]he law does not require in-depth review of alternatives that cannot be realistically considered and successfully accomplished." In addition, the discussion in section 15364 in the State CEQA Guidelines states that "[t]he lack of legal powers of an agency to use in imposing an alternative or mitigation measure may be as great a limitation as any economic, environmental, social, or technological factor."

Chapter 3 discusses energy conservation, efficiency, and renewable sources of energy, and explains why these potential alternatives were not studied in detail in the EIS/EIR. The range of alternatives studied in detail is reasonable and conforms to NEPA and the CEQA requirements.

T001-24.3

Section 4.1.3 contains information on the significance criteria used in the EIS/EIR.

T001-24.4

Section 6.2 contains revised information on this topic. The lead agencies have the responsibility to determine the environmentally preferred alternative based on NEPA criteria and the environmentally superior alternative based on CEQA criteria.

T001-24.5

Sections 4.19.1 and 4.19.4 contain information on potential Project impacts on minority and low-income communities and mitigation measures to address such impacts.

T001-24.6

All deepwater port applications fall under the authority of the Deepwater Port Act, which requires that a decision on the application be made within 330 days of the publication of the Notice of Application in the Federal Register. The Notice of Application for the Cabrillo Port Project was published in the Federal Register on January 27, 2004. Although the comment period (53 days) could not be extended at that time, a March 2006 Revised Draft EIR was

recirculated under the CEQA for an additional public review period of 60 days. Section 1.4.1 contains additional information on this topic.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

T001-24.7

Section 4.2.5 contains information on liability in case of an accident and reimbursement for local agencies.

T001-24.8

Section 1.2 contains additional information on this topic.

1 limiting its scope to increasing natural gas capacity and
2 reliability in California.

T001-24.8
(cont'd)

3 We agree that we need diverse sources of energy,
4 but please do not limit us to natural gas, when our energy
5 needs can be met by increasing conservation efficiency and
6 developing renewable resources.

T001-24.9

7 Second, project alternatives need to be expanded
8 to include the full range of options. NEPA requires that
9 environmental impact studies, such as this, demonstrate that
10 there are no safer alternatives.

T001-24.10

11 The authors can do the world a great service by
12 examining the safer, more benign energy product -- project
13 alternatives, as thoroughly as they have examined BHP
14 Billiton's Cabrillo Port proposal.

15 Moreover, you are required by federal law to do
16 so.

17 Third, we urge you to fully investigate and apply
18 the Precautionary Principle to this project. We ask that
19 you incorporate the foresight to protect our coastal
20 communities, and the diverse life here, against probable
21 harm.

T001-24.11

22 We've added some suggested resources for your
23 research, which I've included on this written proposal, that
24 I will give you.

25 When an activity raises threats of harm to the

T001-24.9

Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to replace additional supplies of natural gas.

T001-24.10

Sections 1.2, 3.1, 3.2, 3.3.1, 3.3.2, 3.3.3, 4.10, and 4.10.1.3 contain information on the range of alternatives evaluated. Under NEPA and the CEQA, a reasonable range of alternatives must be considered. NEPA requires consideration of a "reasonable" number of alternatives. In determining the scope of alternatives, the emphasis is on "reasonable." "Reasonable" alternatives include those that are practical and feasible from the technical and economic standpoint and using common sense (CEQ 40 Questions; #2a).

The information must be sufficient to enable reviewers and decision-makers to evaluate and compare alternatives. The State CEQA Guidelines section 15126.6(a) provides, in part, "An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. An EIR need not consider every conceivable alternative to a project."

The EIS/EIR initially evaluated 18 locations for the FSRU as potential locations for the deepwater port. It built on previous California Coastal Commission studies that evaluated nearly 100 locations. Sections 3.3.7 and 3.3.9 discuss alternate locations and technologies that were considered.

T001-24.11

Sections 2.1 and 4.2.7.3 contain information on design criteria and specifications, final design requirements, and regulations governing the construction of the FSRU and LNG carriers. The EIS/EIR's analyses are in conformance with the requirements of NEPA and the CEQA.

1 human health or environment, precautionary measures should
2 be taken, even if some cause and effect relationships are
3 not fully established scientifically.

4 In this context, the proponent of an activity
5 bears the proof, rather than the public.

6 We contest your conclusion that this project is
7 the environmentally-preferred proposal, when you haven't
8 given other options a fair chance.

9 Thank you.

10 MODERATOR MICHAELSON: Thank you, Ms. Meidell.

11 (Applause.)

12 MODERATOR MICHAELSON: The next speaker is Peter
13 Schneider.

14 MR. SCHNEIDER: Hi, I'm Peter Schneider. I come
15 here as a concerned citizen. I'm going to apologize for
16 wearing glasses to these proceedings. Trust me, I'm not as
17 cool as I look. I had surgery on my right eye today, so I
18 need to wear glasses which, unfortunately, makes me -- I
19 can't read what I wrote.

20 (Laughter.)

21 MR. SCHNEIDER: But I'll start, I'll start.
22 Anyway, I'm an equine veterinarian. I'm an
23 environmentalist. My family and I have lived in the area
24 for many, many years, in Pacific Palisades. We've enjoyed
25 the area and we want to see that it stays as such, which

T001-24.11
(cont'd)

T001-24.12

Section 6.2 contains revised information on this topic. The lead agencies have the responsibility to determine the environmentally preferred alternative based on NEPA criteria and the environmentally superior alternative based on CEQA criteria.

T001-24.12

COMMENTER
T001-25

1 brings me here, tonight.

2 But I also realized that I needed to put gas in my
3 car to get here tonight, and I'm probably driving here, or
4 drove over roads that had many underground gas lines.

5 So the reality of this is that it also makes me
6 realize that we need to consider all the alternatives and
7 all the options when looking at proposals, like the ones
8 being discussed here, tonight.

9 I'm not terribly versed in this area, but what I
10 do know is that we need to not only encourage ways for us to
11 be less dependent on oil from foreign sources, and less
12 vulnerable to the whims of groups of countries that see the
13 U.S., not only as an ally, but as a giant, consuming machine
14 that gobbles up over 40 percent of the world's resources,
15 while we are less than 10 percent of the world's population.

T001-25.1

16 I also want to encourage you to focus on how such
17 a project can be beneficial to our communities, other than
18 the existing product. Perhaps you can, as part of your
19 evaluation process, encourage BHP, and other companies like
20 that, who have similar projects, to commit to educating the
21 young people on alternative ways for wasteful uses of
22 energy.

T001-25.2

23 As a sidebar to that, I will tell you I have a son
24 that left his teenage years. I wish you luck on that point.

25 In closing, I will say to you that it's

T001-25.1

Section 1.2 discusses dependence on foreign energy sources.

T001-25.2

To the extent that an additional source of natural gas is available, the Project would have a beneficial impact on local and regional energy supplies. Section 4.10.1.3 discusses the California Energy Plan, which includes alternative energy use and energy conservation.

1 unfortunate that we, as a -- I have a minute here -- we, as
 2 a State and a county are required to look at other -- to
 3 look to other countries for our energy resources. But if we
 4 must, we should be looking at clean-burning fuels, like LNG,
 5 as well as other sources, of such as solar energy, hydrogen
 6 fuel, and others that are yet to be discovered.

7 Thank you.

8 MODERATOR MICHAELSON: Thank you.

9 (Applause.)

10 MODERATOR MICHAELSON: Let me read ahead the next
 11 speakers, and I apologize if I mispronounce anyone's name.
 12 Joseph Vana, or Vana, I'm not sure. Karine Adalian, Kelly
 13 Meyer, Neal Michaelis, and Elizabeth Anthony.

14 MR. VANA: And I am Joe Vana. I've been in Malibu
 15 for a little over 40 years, and things keep changing.

16 However, we've been saddled with Coastal
 17 Commission, and they don't have a calendar, and you try to
 18 build something in this area, you have to abide by all the
 19 rules. They don't care how long it takes.

20 I don't see why this project can be in such a
 21 sweat. We need to take the time to fully analyze it and not
 22 rush it through. We've been putting up with California
 23 State regulation and extensions of extensions, and there's
 24 no reason why this one can't be done properly.

25 Another thing is there's very little been said

T001-25.3

T001-25.3

Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to replace additional supplies of natural gas.

T001-26.1

All deepwater port applications fall under the authority of the Deepwater Port Act, which requires that a decision on the application be made within 330 days of the publication of the Notice of Application in the Federal Register. The Notice of Application for the Cabrillo Port Project was published in the Federal Register on January 27, 2004. Although the comment period (53 days) could not be extended at that time, a March 2006 Revised Draft EIR was recirculated under the CEQA for an additional public review period of 60 days. Section 1.4.1 contains additional information on this topic.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

COMMENTER
T001-26

T001-26.1

1 about what happens if there is an accident, which has been
2 identified as possible.

3 What about trying to sue an offshore corporation?
4 Next to impossible. It's hard enough to do in the United
5 States, to get any corrective action for any damages done.
6 So it's much, much harder overseas.

7 So we really look at this as an entire State
8 project, and not just some handy little thing promoted by
9 people that want to sell LNG.

10 Thank you.

11 (Applause.)

12 MODERATOR MICHAELSON: Karine Adalian.

13 MS. ADALIAN: Hi, I'm Karine Adalian. I was
14 here -- is this working?

15 MODERATOR MICHAELSON: Yes.

16 MS. ADALIAN: I was here last night, or in Oxnard
17 last night. I'm a resident of Ventura County and have lived
18 in Ventura County for over 30 years.

19 One of the things that I mentioned yesterday was
20 that I had probably experienced terrorism, unlike most of
21 the other people in the room.

22 I also know that our allies are very good allies.
23 The Australians have experienced terrorism for being our
24 friends, in Bali, Indonesia, and also they have contributed
25 troops. And with our foreign policy that loses friends and

T001-26.2

T001-26.2

Section 4.2.7.6 discusses the impacts of an accident. Section 4.2.5 discusses financial responsibility in the event of an accident.

T001-26.3

T001-26.3

Section 1.2 contains information on the Project's purpose, need, and objectives.

COMMENTER
T001-27

1 influences our enemies, I think that by bringing this across
2 the largest body of water in the world, not only subjects
3 them to terrorist acts, they're going to be carrying the
4 Australian flag, but over here, as well. If you think like
5 a terrorist, what does that mean?

6 I think there are plenty of opportunities, as I
7 mentioned last night, that even if we all sat in a room for
8 a month, we wouldn't be able to think about all the possible
9 ways that people, who are adamant about coming after us,
10 would come after us.

11 I think, also, it's interesting, this is the
12 second night in a row that I've been in a room like this,
13 we've talked about conservation, we've had the heat on, and
14 the door is open to the outside.

15 (Laughter.)

16 MS. ADALIAN: Now, what kind of conservation is
17 that? With supply and demand, when the supply curve
18 increases, it goes up, demand goes up. That's basic
19 economics.

20 We haven't done it enough, as a country, to
21 educate people, here, not to be as dependent on fossil
22 fuels.

23 Oxnard is one of the most -- well, I should say,
24 Ventura County used to be the fifth largest state in the
25 production of fruits, nuts, and berries. We have growing

T001-27.1

T001-27.1

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T001-27.2

Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to replace additional supplies of natural gas.

T001-27.2

1 cycles in Southern California that enable us to grow fruits
2 and vegetables year-round. And if the sun works to grow
3 vegetables, I just cannot understand how we cannot use solar
4 energy here.

5 We have the sunbelt in all of the United States,
6 that is called the sunbelt because it gets sun. And we
7 haven't explored those opportunities. Why? Because we're
8 trying to depend on foreign sources of fossil fuels.

9 When I was 18 years old, I worked at the Rockwell
10 International Science Center as an intern, and for the
11 Department of Energy at that point. I was working for the
12 Solar Energy Research Institute in Colorado, and what has
13 happened in that, I don't know, how many years that was. I
14 guess I graduated in 1982 from college -- or from high
15 school, '86 from Berkeley, '97 from NYU. And what have we
16 been doing here? Just relying on more and more foreign
17 fossil fuels.

18 Thank you.

19 MODERATOR MICHAELSON: Thank you.

20 (Applause.)

21 MODERATOR MICHAELSON: Kelly Meyer. The next
22 speaker's Kelly Meyer.

23 Some of you may have come in after I made the
24 announcement about when I call ahead your name, if you'd
25 come over and sit in this reserved seating area over here.

T001-27.2
(cont'd)

T001-27.3

Section 1.2.4 contains information on this topic.

T001-27.3